



# ENERGY ASSURANCE DAILY

Thursday Evening, October 20, 2016

## *Electricity*

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### **Lightning Arrester Failure Briefly Knocks Out Power to Nearly 11,000 BEMC Customers in North Carolina October 19**

Brunswick Electric Membership Corporation (BEMC) reported that 10,800 customers in Brunswick County lost power for about 90 minutes on Wednesday. BEMC said on Thursday that a lightning arrester failed at its Wilmington transmission substation resulting in the brief outages. BEMC said its crews restored power to all affected customers by 6:00 p.m. EDT.

<https://www.facebook.com/BrunswickElectric?fref=ts>

<http://www.brunswickbeacon.com/content/nearly-11000-bemc-customers-experience-brief-outage-wednesday>

### **Update: Constellation's 1,120 MW Nine Mile Point Nuclear Unit 2 in New York at Full Power by October 20**

On the morning of October 19 the unit was operating at 70 percent reduced from full power on October 18.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

### **Update: Entergy's 653 MW Pilgrim Nuclear Unit 1 in Massachusetts at Full Power by October 20**

On the morning of October 19 the unit was operating at 50 percent, reduced from 75 percent on October 18.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

### **FPL's 510 MW Point Beach Nuclear Unit 1 in Wisconsin Reduced to 80 Percent by October 20**

On the morning of October 19 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

### **TVA's 1,150 MW Watts Bar Unit 2 in Tennessee Achieves Commercial Operation October 19**

Tennessee Valley Authority (TVA) on Wednesday announced its new Watts Bar Unit 2 near Spring City, Tennessee entered commercial operation after successfully completing an extensive series of power ascension and reliability tests, which lasted for more than three weeks. The completion, startup, and commercial operation of Watts Bar Unit 2 increases generation capacity at the Watts Bar plant to approximately 2,300 MW, and is nation's first new nuclear generation unit in 20 years. The new unit now joins six other operating TVA nuclear units, which together supply more than one third of the region's generating capacity, and meet the electric needs of more than 4.5 million homes.

<https://www.tva.gov/Newsroom/Press-Releases/TVAs-Watts-Bar-Unit-2-Achieves-Commercial-Operation>

<https://www.tva.gov/Energy/Our-Power-System/Nuclear/Watts-Bar-Nuclear-Plant>

## **Energy Industry Coalition Sues New York PSC over State Nuclear Subsidy Plan October 19**

An energy industry coalition that includes several competitive, non-nuclear electricity producers sued on Wednesday to oppose plan that would subsidize nuclear power plants in New York State. The subsidies, which would require consumers to pay for zero emission credits, were part of an effort to keep the state's nuclear reactors operating at a time of low prices for power and natural gas, an alternative electric generator fuel. Specifically, the lawsuit in federal court said the New York Public Service Commission's (PSC) plan to raise electric rates across the state by requiring consumers to pay for zero emission credits, infringes illegally into federal regulators' territory. The coalition said in a statement that the litigation was "solely to save several New York nuclear plants that, allegedly, can no longer compete successfully in the federally-regulated wholesale electric power market." The owners of the state's nuclear reactors include units of Exelon Corp and Entergy Corp, although Exelon in August agreed to buy Entergy's FitzPatrick reactor in New York, which Entergy said it would retire in 2017. Coalition members opposed to the nuclear subsidies include units of Dynegy Inc and NRG Energy Inc.

Reuters, 18:04 October 19, 2016

## ***Petroleum***

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### **Valero Reports Potential Malfunction, Emissions at Its 335,000 b/d Port Arthur, Texas Refinery October 20**

Valero reported a potential malfunction at its Port Arthur refinery on Thursday. The company also reported startup emissions associated with the flare-23 and sulfur recovery unit 546.

Reuters, 11:09 October 20, 2016

### **Phillips 66 Reports Process Upset, SRU Emissions at Its 146,000 b/d Borger, Texas Refinery October 19**

Phillips 66 reported a sulfur recovery unit (SRU) emissions event on Wednesday that resulting from a process upset at its Borger, Texas refinery. The company said that emissions were routed to a control device and equipment was restarted, according to a filing with the Texas Commission on Environmental Quality.

Reuters, 14:15 October 20, 2016

### **Update: PBF Reports Hydrogen Unit Restart at Its 151,300 b/d Torrance, California Refinery October 19**

PBF Energy restarted a hydrogen unit at its Torrance refinery on Wednesday, according to a filing with the California Emergency Management Agency. The refinery experienced a power outage on October 11 and had restarted all units except the hydrotreater on October 14.

Reuters, 11:17 October 20, 2016

### **Irving Oil Announces Reactivation of Its Halifax Terminal in Nova Scotia October 20**

Irving Oil on Thursday announced the successful commission of its Halifax Harbour Terminal, which is located in Dartmouth, Nova Scotia and formerly deactivated in 2002. Irving Oil said the \$80 million reactivation project involved significant investment in existing assets on site, including storage facilities, loading equipment, jetty, and supporting infrastructure. In April 2015, Irving Oil announced it would reactivate the facility, enabling the storage and distribution of gasoline, diesel, heating oil, marine transportation fuel, and jet fuel for customers throughout Nova Scotia.

[http://irvingoil.com/newsroom/news\\_releases/irving\\_oil\\_announces\\_successful\\_commission\\_of\\_its\\_halifax\\_harbour\\_terminal/](http://irvingoil.com/newsroom/news_releases/irving_oil_announces_successful_commission_of_its_halifax_harbour_terminal/)

Reuters, 9:43 October 20, 2016

### **Update: Alliance Pipeline Returns Canada Natural Gas System to Service October 20 after Declaring Force Majeure October 18**

Alliance Pipeline restored service on its Canada natural gas export pipeline by early Thursday, according to Thomson Reuters data. On Tuesday, Alliance declared force majeure due to an extension of a planned outage resulting from maintenance delays at the Aux Sable Liquid Products facility in Illinois. The pipeline was originally shut on October 12 for what was supposed to be seven days of maintenance to install new pipe sections at two places in western Canada where a highway will cross the mainline. On Wednesday, Alliance said the force majeure was lifted and the system would be available for transportation services at the start of gas day October 20. In the 30 days prior to the outage, Canada exported about 1.7 Bcf/d of gas to the U.S. on the Alliance pipeline, Reuters data showed. Alliance Pipeline LP is sponsored by affiliates of Enbridge Income Fund and Veresen Inc. It is one of the most important liquids-rich natural gas conduits between Western Canada's Montney region and the Chicago market hub.

Reuters, 8:54 October 20, 2016

[http://ips.alliance-pipeline.com/Ips/ContentViewer.aspx?notice\\_id=10744&cwc\\_website\\_content\\_id=52](http://ips.alliance-pipeline.com/Ips/ContentViewer.aspx?notice_id=10744&cwc_website_content_id=52)

### **FERC Delays Environmental Report for Transco's 1.7 Bcf/d Atlantic Sunrise Natural Gas Pipeline from Pennsylvania to Carolinas October 20**

The Federal Energy Regulatory Commission (FERC) has delayed the release its environmental impact statement (EIS) on Transcontinental Gas Pipe Line Co's (Transco) Atlantic Sunrise natural gas project until December 30, 2016. The Atlantic Sunrise project was designed to supply gas from northeast Pennsylvania to markets in the mid-Atlantic and southeast and will add 1.7 Bcf/d of pipeline capacity to the Transco system. FERC said the deferment of the EIS from October 21 to December 30 was based on additional information filed by Transco. Williams Cos Inc, which owns Transco, said it expected the pipeline to enter service in late 2017, however, several analysts said the pipe would likely be delayed until sometime in 2018.

Reuters, 13:01 October 20, 2016

### **Regency Reports AGI Shut at Its 290 MMcf/d Waha Gas Plant in Texas October 19**

Regency reported on October 19 that the acid gas injector (AGI) compressor at its Waha, Texas gas plant shut on low fourth suction pressure. After finding that the unit's pressure transmitter was sending false readings, the transmitter was reset and the AGI compressor was restarted.

<http://www2.tceq.texas.gov/oce/eer/index.cfm?fuseaction=main.getDetails&target=245717>

### **Kinder Morgan to Begin Construction on Its Elba LNG Export Project in Georgia November 1**

Kinder Morgan on Wednesday said it will begin construction on its Elba Liquefaction project near Savannah, Georgia on November 1, ahead of a final ruling from federal regulators on a rehearing requested by environmental activists. Kinder Morgan received approval for the project from the Federal Energy Regulatory Commission (FERC) on June 1, but the Sierra Club and other associates have since filed a request for a rehearing, for which a final ruling is still pending. The Elba Liquefaction Project will be situated at the existing Elba Terminal on an 840-acre island known as Elba Island. The current Elba terminal is an import facility capable of importing and regasifying foreign-sourced liquefied natural gas (LNG). Construction of the project will take place in two phases. Phase I will include installation of 6 liquefaction units equal to an output capacity of 210 MMcf/d as well as modifications to the existing Elba terminal to enable LNG exports. Phase II will include installation of up to 4 additional liquefaction units equal to an output capacity of 140 MMcf per day. The project is supported by a 20-year contract with Shell, and the project will utilize Shell's innovative, small-scale liquefaction units, which will be integrated into the existing Elba Terminal and enable rapid construction compared to longer construction lead times associated with traditional large-scale plants.

[http://www.kindermorgan.com/business/gas\\_pipelines/projects/elbaLNG/elba\\_liquefaction\\_project.aspx](http://www.kindermorgan.com/business/gas_pipelines/projects/elbaLNG/elba_liquefaction_project.aspx)

Reuters, 18:58 October 19, 2016

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## **Other News**

Nothing to report.

## International News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices			
October 20, 2016			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	50.26	50.42	45.79
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.14	3.17	2.42

Source: Reuters

## Links

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***This Week in Petroleum*** from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

### ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

Please direct comments and questions to: [ead@oe.netl.doe.gov](mailto:ead@oe.netl.doe.gov)